

**DERBYSHIRE COUNTY COUNCIL**

**CABINET MEMBER**

**19 APRIL 2018**

**Report of the Strategic Director for Adult Care**

**REVIEW OF DIRECT CARE RESIDENTIAL RATES FOR SELF-FUNDERS  
IN COMMUNITY CARE CENTRES**

**ADULT CARE**

**1. Purpose of the Report**

To agree an increase in the weekly rate charged to Self-Funders at the Community Care Centres.

**2. Information and Analysis**

Currently self-funding residents in Community Care Centres (CCCs) are charged the same amount as those in Homes for Older People (HOPs) i.e. £532.60 per week. However, the staffing levels are significantly higher in CCCs with, on average an additional 24 hours of care staff and 0.5fte Deputy Unit Manager per establishment per week, which increases the weekly cost to £986.44 per week.

When the CCCs were first opened it was decided to charge clients at the same rate as those in HOPs so as not to restrict their choice of placement. However, due to increasing budget pressures, and a budget savings target of £21.346m over the next four financial years, it is no longer feasible to subsidise self-funding clients in CCCs and so it is proposed that the full cost of these placements should be passed on to these residents. As this will mean an 85.2% increase in the fee it is intended to phase the change in as follows:

“Preserved rights”, with the weekly rate being permanently pinned to the standard bed rate, will be retained for the following self-funding clients:-

- Current Residents
- Clients currently in the process of moving to, or considering moving to, a CCC (this will be restricted to a period from 19 April 2018 to 31 July 2018)
  - Current respite clients i.e. clients who have had respite in a CCC in the last 12 months

- Respite clients that subsequently move in as permanent residents
- Current non-self-funding clients who subsequently become self-funders

The full rate will apply to the following self-funding clients:-

- All new permanent residents from 1 August 2018
- All new respite clients from 1 August 2018
- All new residents who were admitted after 1 August 2018 as non-self-funders who subsequently become self-funders

### **Annual Uplift**

These charges will be uplifted in future years based on the agreed uplift to Independent Sector Older People's Residential rates.

### **3. Financial Considerations**

There are currently 33 self-funding clients in CCCs. As a result of the subsidy currently paid, this costs the Council £0.774m per year. The gross cost of the placements is £1.697m and the self-funders currently pay a total of £0.923m towards this total.

It is difficult to accurately assess the level of self-funders after the increase in charges, but if there is a 50% retention of self-funders, as a result of the increased charge, then the increase in income would be £0.387m p.a.

### **4. Legal Considerations**

The Local Authority is mindful of its duty under the Care Act 2014 to promote an effective local market with a view to ensuring that there is a variety of providers and high quality services to choose from.

Consideration has also been given as to whether or not it is appropriate to enter into consultation prior to the introduction of the proposed increases.

Taking into account:

- the staggered nature of the introduction of the increase and
- that no current resident or other person who can be reasonably anticipated would be affected by the increase will be subject to the new rate and
- that potential future residents cannot be readily identified it is considered reasonable to proceed without entering into a formal consultation process,

The changes will however be appropriately publicised in advance of the introduction of the increased charge.

## **5. Other Considerations**

In preparing this report the relevance of the following factors has been considered: human resources, Legal and Human Rights, equality of opportunity, health, environmental, transport, property, social value and crime and disorder considerations.

## **6. Background Papers**

None

## **7. Key Decision**

No

## **8. Is it required that the Call-in period be waived in respect of the decisions being proposed within this report?**

No

## **9. Officer's Recommendation**

That approval be given to increasing the rates for self-funders at Community Care Centres to the full cost rate, with preserved rights for all current and transitional clients.

**Joy Hollister  
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